Supreme Court, U.S.
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No. 97-

IN THE

Supreme Court of the United States

OCTOBER TERM, 1997

ROBERT L. HESS,

Petitioner,

v.

ADVANCED CARDIOVASCULAR SYSTEMS, INC.,

Respondent.

ADVANCED CARDIOVASCULAR SYSTEMS, INC.,

Respondent,

v.

SCIMED LIFE SYSTEMS, INC.,
and
ROBERT L. HESS,

Petitioner.

Petition for a Writ Of Certiorari to the United States Court of Appeals for the Federal Circuit

PETITION FOR A WRIT OF CERTIORARI

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28 pp

QUESTION PRESENTED

Did not the Federal Circuit err in finding that a claimant had failed to establish that the claimant was a co-inventor of the subject matter of a patent issued to two named inventors where:

(a) It was undisputed in the record below that the claimant made three contributions to the subject matter of the patent, each one of those contributions being recited in one or more claims of the patent;

(b) Each of the contributions admittedly made by the claimant were referenced among the objects of the invention and at least two of those three contributions were relied upon during the prosecution of the patent to distinguish the subject matter thereof from the prior art;

(c) Both named inventors conceded that, before they met with the claimant, neither was able to develop an operative embodiment of the invention;

(d) The Federal Circuit brushed aside precedent that has been followed for over 80 years—precedent that formed the basis for the 1984 Amendment to the Patent Statutes governing inventorship; and

(e) The Federal Circuit intertwined findings of fact made by the District Court with its conclusion of law, giving deference to the District Court's conclusions of law as though they had been findings of fact.

PARTIES TO THE PROCEEDING

Petitioner is Robert L. Hess, an individual.

Respondent is Advanced Cardiovascular Systems, Inc.

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PETITION FOR A WRIT OF CERTIORARI

Robert L. Hess ("Hess") respectfully petitions for a Writ of Certiorari to review the judgment of the United States Court of Appeals for the Federal Circuit.

OPINIONS BELOW

The Federal Circuit's judgment and opinion, reported at 106 F.3d 976 (Fed. Cir., 1997), are reproduced in Appendix A (App. A) at 1a. The judgment and oral opinion of the United States District Court for the Northern District of California are unreported and are reproduced at App. A 16a.

JURISDICTION

The District Court had jurisdiction under 28 U.S.C. §§ 1331 and 1338(a). The judgment of the Court of Appeals was entered on February 18, 1997. This Court has jurisdiction to issue the writ under 28 U.S.C. § 1254(1).

STATUTE INVOLVED

Section 116 of the Patent Act of 1952, 35 U.S.C. § 116, provides in pertinent part:

> "When an invention is made by two or more persons jointly, they shall apply for patent jointly and each make the required oath, except as otherwise provided in this title. Inventors may apply for a patent jointly even though (1) they did not physically work together or at the same time, (2) each did not make the same type or amount of contribution, or (3) each did not make a contribution to the subject matter of every claim of the patent."

STATEMENT OF THE CASE

In this case, the Court of Appeals for the Federal Circuit ruled that Robert L. Hess was not a co-inventor of the patent-in-suit, even though, as the District Court had found, the inventors named in the patent did not dispute that Hess had made three of

the four contributions he alleged that he had made, those three contributions having been found throughout the claims of the patent-in-suit. Indeed, so important was one contribution that it was singled out by one of the named inventors in a medical publication as one of the two reasons underlying the success of the invention. On top of that, that very contribution served as a basis to distinguish claims of the patent from the prior art. Nonetheless, both the District Court and the Court of Appeals concluded, in applying the law to those undisputed facts, that Hess' contributions were not of sufficient fundamental importance to warrant his being named as a co-inventor of the subject matter of the claims.

In so ruling, the Court of Appeals brushed aside as not binding on it, an old decision by the United States District Court for the District of New Jersey, later affirmed by the Court of Appeals for the Third Circuit. What the Court of Appeals for the Federal Circuit overlooked, however, was the fact that the legislative history of the controlling statute, 35 U.S.C. § 116, had roots going back to the very District Court decision which the Court of Appeals for the Federal Circuit had brushed aside.

I. *The Background Facts*

A. *The Parties And The Cause Of Action*

The present controversy first began when respondent, Advanced Cardiovascular Systems, Inc. ("ACS"), brought suit in the District of Minnesota in March of 1987, seeking damages and injunctive relief for the alleged infringement of United States Patent No. 4,323,071 ("the '071 patent", App. B 1b)* which issued on April 6, 1982 to Dr. John B. Simpson and Dr. Edward W. Robert. ACS is a manufacturer of angioplasty

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*For the Court's convenience, the patent and reexamination certificate are reproduced in Appendix B (App. B).

catheters for use in treating diseases of the heart, to which the '071 patent is directed.

Named as the defendant was Scimed Life Systems, Inc., an ACS competitor who manufactured angioplasty catheters accused of infringing the '071 patent. Among other grounds, Scimed defended ACS' charge of infringement by alleging that Robert L. Hess, an engineer employed by a plastic supplier known as Raychem Company, had assisted Simpson and Robert in the development of the patented catheter, and hence was a co-inventor of the '071 patent. Thus, Scimed pleaded invalidity based on the failure to include Hess as an inventor of the '071 patent.

In August of 1990, Hess intervened in the *ACS* v. *Scimed* litigation, filing a cross-complaint seeking a declaration that he was a joint inventor along with Simpson and Robert of the subject matter claimed in the '071 patent. The District Court in Minnesota dismissed Hess' cross-claim on a laches theory, and Hess appealed to the Court of Appeals for the Federal Circuit in January of 1992. While Hess' appeal was pending, Hess filed an original action in the Northern District of California alleging that he was a co-inventor of the claims added to the '071 patent during reexamination proceedings under 35 U.S.C. § 305. The underlying litigation between ACS and Scimed settled, but Hess pursued his appeal from the Minnesota Court's dismissal of his cross-claim. After the Court of Appeals for the Federal Circuit reversed that dismissal (*Advanced Cardiovascular Systems, Inc.* v. *SciMed Life Systems, Inc. and Robert L. Hess* (Fed. Cir., 1993), 988 F.2d 1157), the case was remanded to Minnesota and was thereafter transferred to the Northern District of California where it was consolidated with Hess' original action brought there.

During the District Court proceedings, ACS filed motion after motion, seeking to dismiss Hess' inventorship claim. And the District Court repeatedly denied those motions. Finally, on

the eve of trial, the District Court granted an ACS motion to dismiss, grounded on a laches theory, that part of Hess' claim seeking a determination of co-inventorship of original claims 1-21 of the '071 patent. The District Court set for trial the remaining issues of Hess' claim of co-inventorship as to those claims added to the patent in May of 1990 by way of the reexamination proceeding, namely claims 22-52.

B. *The Evidence At Trial*

In early 1978, Hess met with two cardiologists at Stanford University who were seeking assistance in the design of a catheter for balloon angioplasty, namely Dr. John B. Simpson and Dr. Edward W. Robert. Simpson, having seen an angioplasty catheter in Europe found to be in short supply, decided to build, with Robert, a catheter of their own. Hess had been recommended to Simpson and Robert as having some expertise in working with plastics.

At the time that Simpson and Robert met with Hess, they were at a complete loss as to what material might be suitable for use in making an angioplasty catheter, having been unsuccessful in their previous attempts to employ polyvinyl chloride (PVC), the material that Dr. Gruntzig had used in Europe, and also having been unsuccessful with Teflon plastic. Simpson testified (App. A 36a):

> "Q. You had tried two different plastic materials and you were not successful with either one of them.
>
> "A. That's right."

Dr. Robert was equally pessimistic (App. A 48a-49a):

> "Q. In fact, the only two materials that you had worked with to speak of were Teflon and PVC, and neither one of those met your needs; isn't that correct?
>
> "A. Neither one was optimal.

"Q. In fact, they didn't meet your needs at all, did they?

"A. To the extent that we carried them, no they did not."

In fact, both men conceded that, at the time they first met with Hess, neither had the correct material to achieve the result that either was seeking. Simpson acknowledged (App. A 46a):

"Q. Okay. And so really where you were at the time you met Mr. Hess was you knew where you wanted to go, but you didn't have any way until Hess came along to get there.

"A. We didn't have the right material to get there. That's correct."

Robert's testimony was essentially the same (App. A 48a):

"Q. . . . Wouldn't it be accurate to say that at the time just prior to the time that you hooked up with Mr. Hess, that you knew what you wanted, but you didn't know how to get there in terms of the materials?

"A. We were—we were uncertain as to what the optimal material would be at that time, that's correct."*

At that first meeting, Simpson described the Gruntzig catheter with its tubular shaft closed at one end having a small hole in the shaft near that end. A balloon formed as a separate element was placed over the shaft, covering the small hole to permit a radiographic fluid to be pumped through the shaft and through the hole into the balloon causing the balloon to expand.

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*Hess, at the time, served as a technical liaison between Raychem's United States operation and its international operations in South America and Asia.

Simpson and Robert told Hess that their first task was to find a material suitable for use in fabricating the balloon. Hess suggested that they employ one of Raychem's many plastics known as irradiated modified polyolefins which could be heat shrunk to any desired dimension. Indeed, during their first meeting, Hess demonstrated, using a Raychem irradiated modified polyolefin, how that material could be heat shrunk at both ends leaving a balloon between them.

Later on, Hess also suggested that the balloon itself could be shrunk fit onto the central lumen or tube of the catheter to permit the balloon to be attached to that central lumen without the use of an adhesive (App. A 37a-38a):

> "A. . . . So we contacted Mr. Hess, and asked him for some advice on how to improve the adhesives. And he said he would just leave the adhesives out.
>
> "Q. So would you agree that Mr. Hess made a contribution to the catheter in respect to the use of shrink fitting without the use of an adhesive in the distal end?
>
> "A. Yeah, I would agree that he gave us some advice on—on what we could do about the adhesive-related problem that we having were at the distal tip of the catheter."

As the District Court found, the parties were in agreement that Hess made three of the four contributions to the final catheter design that Hess claimed that he made:

(1) Hess suggested the use of irradiated modified polyolefins as the material from which the balloon should be fabricated—a material which both Simpson and Robert were totally unfamiliar with at the time;

(2) Hess suggested that the balloon could be formed by heating a portion of the irradiated modified polyolefin tubing to a temperature above its crystalline melting point and then applying pressure to expand the tubing to preform the balloon; thereafter, the balloon could be cooled to a temperature below its crystalline melting point at which it retained its expanded shape; and

(3) Hess suggested the use of an adhesive-free seal at the distal end of the catheter to avoid the use of toxic adhesive chemicals, suggesting instead that the outer tubing in which the balloon was formed be simply shrink fitted onto the inner lumen to form an adhesive-free seal.*

C. *The Simpson-Robert Patent Application — Quietly Filed*

On April 24, 1978, Simpson and Robert filed an application for patent on the catheter developed during their collaboration with Hess. Unaccountably, however, there was no proof at the trial that Hess was told that the application had been filed.

In describing the invention, however, Simpson and Robert made liberal references to the information Hess had admittedly supplied to them. The objects of the invention were replete with references to Hess' suggestions, including his suggestion that irradiated modified polyolefins be used to form the balloon. The patent says (App. B 6b, col. 2, ll. 35 *et seq.*):

> "Another object of the invention is to provide a dilating catheter assembly of the above character in which the catheter is formed of an irradiated modified polyolefin tubing."

*Hess had also urged at the trial that he suggested the coaxial concept of providing an annular space between the balloon and the inner lumen through which radiographic fluid could be supplied to inflate the balloon. Hess' contribution in that regard was the only one disputed at the trial.

Equally prominent among the objects of the invention was Hess' suggestion that the outer tube from which the balloon was formed be heat shrunk onto the inner tubing to form an adhesive-free seal (App. B 6b, col. 2, ll. 39 *et seq.*):

> "Another object of the invention is to provide a dilating catheter assembly of the above character in which inner and outer coaxial tubular members are provided and in which a distal pressure seal is formed between the inner and outer tubular members solely by heating the outer heat shrinkable tubular member."

The specification also taught the balloon fabrication technique that Hess suggested, namely the heating of the irradiated modified polyolefin to temperatures above its crystalline melting point followed by the application of pressure and cooling to form the balloon (App. B 8b, col. 5, ll. 15 *et seq.*).*

There was no debate in the District Court that the subject matter of Hess' contributions were reflected in the claims of the '071 patent. Claim 22 (App. B 17b), as an example, refers to the technique of forming the balloon out of a crystalline plastic material by heating it to a temperature above its crystalline melting point, after which pressure is applied and the balloon then cooled. Simpson flatly admitted that claim 22 embodies Hess' contributions (App. A 44a):

> "Q. Now, that [claim 22] describes a technique in general terms of how the balloon can be made, correct?
>
> "A. That's correct.

*That patent application formed the basis for Simpson's and Robert's organization of Advanced Catheter Systems, a company that thereafter became Advanced Cardiovascular Systems, Inc. Until recently, ACS was a wholly owned subsidiary of Eli Lilly and Company.

"Q. And it also describes in general terms information that Mr. Hess supplied to you, does it not?

"A. That's correct, uh-huh."

Dr. Simpson likewise conceded that the claims also embody Hess' suggestions of the adhesive-free seal at the distal end of the catheter (App. A 40a):

"Q. . . . You were trying to put an adhesive in that area, weren't you?

"A. We had put an adhesive in that area.

"Q. Right. Mr. Hess said: No, don't do that.

"A. That's right, he did. Absolutely. Nondisputed.

"Q. You adopted his suggestion and you put that suggestion in claim 13 of your patent, didn't you?

"A. It shows up here, yes. Uh-huh."

Hess' contributions pervade the claims of the '071 patent.

D. *The ACS Litigation With Scimed And The Reexamination Proceedings*

During its litigation with ACS, Scimed, apart from its invalidity plea based on the failure to join Hess as a co-inventor, argued that at least some of the claims of the '071 patent were invalid in light of prior art patents. As a result, two requests for reexamination of the '071 patent were filed during the litigation.

During the reexamination proceedings, ACS submitted a declaration of Dr. Simpson aimed at establishing that the subject matter of the '071 claims was not obvious in light of prior art teaching a natural rubber balloon. ACS said that such a balloon would inflate in an uncontrolled manner compared to irradiated modified polyolefin balloons described in the patent—the very material that Hess had recommended. At trial, Dr. Simpson readily agreed that one of the points he was seeking to make in his declaration (App. A 56a-58a) was to distinguish the prior art on the basis of his use of an irradiated modified polyolefin (App. A 42a):

> "Q. And one of the points that you made, Dr. Simpson, as to how there was a difference, was that the '873 patent used a balloon made of a stretchable material, such as natural or synthetic rubber; correct?
>
> "A. That's correct.
>
> "Q. And your point was that: I look at our invention; we're using an irradiated modified polyolefin, and that doesn't expand in an uncontrolled manner; whereas this '873 patent is using a natural or synthetic rubber balloon, and that can expand in an uncontrolled manner. Wouldn't you agree?
>
> "A. I certainly would agree.
>
> "Q. Okay. And so that was—that was a difference that you were pointing out between the material of construction that you used; namely, the irradiated modified polyolefin, versus the material of construction that the '873 patent used; namely, natural or synthetic rubber.
>
> "A. That's correct."

Hess' contribution—the use of irradiated modified polyolefins to make balloons—played a prominent role when ACS distinguished its patented catheter from the prior art.*

II. *The Decisions Below*

A. *The District Court*

The District Court, after briefing and argument by the parties, issued an oral decision from the bench (App. A 20a). The District Court, to its credit, correctly articulated the test of co-inventorship (App. A 23a-24a):

> "...I think that all Mr. Hess needs to establish is that he conceived some important element or some important claim that is claimed in the patent, and need not have sat down and says here is what the whole device is going to look like when we're finished.
>
> * * *
>
> So, I don't think it's necessary for Mr. Hess to conceive of every feature of the catheter, but that if some conceptual role in at least an important or a necessary element, or important and necessary claim."

The District Court went on to note that inventors can utilize the services and ideas of others without losing their status of inventorship. The important question in determining inventorship is who participated in the conception of the invention claimed (App. A 24a).

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*Long before this controversy arose, Simpson wrote a paper (App. A 50a) crediting the success of his catheter to two features—the coaxial design and the use of "unique materials" (App. A 51a). There was no dispute that the "unique materials" to which Dr. Simpson referred were the irradiated modified polyolefins Hess had suggested.

In this case, the District Court noted that the evidence, for the most part, was not in dispute (App. A 27a):

> "In fact, I find very few conflicts on the key points in this case, and that is, what did Mr. Hess do with respect to this invention.
>
> Mostly the issue comes down to conclusions of fact or conclusions of law to be drawn from the facts that the witnesses were really not debating about."

The District Court concluded that Hess' contributions were not inventive contributions. While agreeing that the three contributions were not in dispute, the District Court ruled that Hess' role was not that of an inventor (App. A 29a-30a):

> "It may have a certain degree of ingeniousness to it, but that is not inventorship. That is, Raychem had this product. Heat-shrink tubing was on the market. It may not be known to Simpson and Robert, but it was a product Raychem had been making and somebody knew about it.
>
> * * *
>
> So when they were meeting with Mr. Hess, I think what Mr. Hess was doing was showing them available product, telling them its properties, telling them how it could be used, and how it might be used."

The District Court also concluded that a Simpson-Robert letter (App. A 53a-55a) defined Hess' role respecting the catheter disclosed in the '071 patent "as well as anybody could define it" (App. A 28a). As the District Court observed, that letter expressed (App. A 29a):

> "... clearly some debt of gratitude at least by Simpson and Robert to Mr. Hess, albeit I'm finding that that is not a debt that rises to a level of being a coinventor."

On that basis, the District Court rejected Hess' plea that he was a co-inventor of the '071 patent.

B. ***The Decision Of The Court Of Appeals***

Hess took his appeal from the District Court's judgment to the United States Court of Appeals for the Federal Circuit. The Court of Appeals, on February 18, 1997, affirmed the District Court with a written opinion (App. A 2a).

Where the Court of Appeals went astray was in its conclusion that Hess' argument before it to the effect that the District Court had misapplied the appropriate test of inventorship was an argument that the District Court's factual findings were clearly erroneous (App. A 12a):

> "Mr. Hess argues, however, that the court 'completely misapplied' that standard 'in finding that Hess's contributions were not inventive.' This argument, however, is in reality only a reformulation of the contention that the district court's findings upon which the court based its conclusion that Mr. Hess had not established co-inventorship, are clearly erroneous."

The Court of Appeals lost sight of the distinction between the fact findings by the District Court, namely that Hess had indeed made the contributions of (1) suggesting an irradiated modified polyolefin, (2) suggesting the technique claimed for forming the balloon and (3) suggesting an adhesive-free seal at the distal end of the catheter, and the conclusions of law based on those findings. The District Court, after all, found that Hess' three contributions were indeed undisputed, and based its decision on its own conclusions of law flowing from Hess' three undisputed contributions. In that respect, the Court of Appeals failed to follow its mandate as an appellate court in reviewing factual findings under a clearly erroneous standard and conclusions of law *de novo.*

The Court of Appeals dismissed altogether Hess' reliance on the famous old case of *DeLaski & Thropp Circular Woven Tire Co.* v. *William R. Thropp & Sons Co.* (D.N.J., 1914), 218 F. 458, 464, aff'd. (3rd Cir., 1915), 226 F. 941 where the Court had laid down a time-honored test of inventorship:

> "The conception of the entire device may be due to one, but if the other makes suggestions of practical value, which assisted in working out the main idea and making it operative, or contributes an independent part of the entire invention, which is united with the parts produced by the other and creates the whole, he is a joint inventor, even though his contribution be of comparatively minor importance and merely the application of an old idea."

Unaccountably, the Court of Appeals overlooked the fact that *DeLaski*, treated by the Court of Appeals as "not binding precedent" before it (App. A 14a), formed the basis for the legislative history of the 1984 amendments to 35 U.S.C. § 116, the statutory provision defining joint inventorship. Upon that basis, the Court of Appeals affirmed the District Court's holding that Hess had failed to establish co-inventorship.

REASONS FOR GRANTING THE PETITION

This case presents a question going to the very heart of the patent system, namely, what acts are necessary to satisfy the joint inventorship requirements of 35 U.S.C. § 116. Indeed, the determination of inventorship is a threshold question, preceding in almost every instance the filing of an application for a patent in the first instance. This Court has stressed the importance of the Federal Circuit considering—and definitively settling—patent law issues (*Cardinal Chemical Company* v. *Morton International, Inc.* (1993), 508 U.S. ____, ____, 113 S.Ct. 1967, 1971). Consequently, what the Federal Circuit does in a precedent-setting case like this one is a matter of "special importance" to the United States.

In this case, Hess was a good Samaritan, offering his assistance to the named inventors who themselves characterized Hess' assistance contemporaneously (App. A 53a):

> "After weeks of frustration because of unsuccessful attempts to obtain assistance or advice from any of the Bay Area plastics firms, we were introduced to Mr. Rob Hess. His advice, frequently requested at unusual hours and often interrupting his weekend at home, has been tireless and critically important to our progress."

Drs. Simpson and Robert added (App. A 53a):

> "Rob introduced us to Raychem modified irradiated polyolefins, suggested numerous approaches to construction, searched diligently for special extrusions that would meet our dimensional requirements, and provided us with more than sufficient samples to construct our prototypes. All of this was done with a genuinely concerned and helpful attitude which has made our brief association with Raychem exciting and productive, and most importantly, it has led to what we consider a device which may well revolutionize the treatment of coronary artery disease in the United States."

Not only did Drs. Simpson and Robert make a contemporaneous admission that Hess' assistance was "critically important" to their progress, the trial record showed without any dispute that both, at the time they first met Hess, had failed to fabricate a balloon for their catheter. And, of course, it should also not be forgotten that both conceded that Hess' admitted contributions found their way into the claims of the patent. It defies reason to conclude, as did the Courts below, that Hess was anything but a co-inventor and the conclusion of the Court of Appeals to the contrary was simply based on a misapprehension of inventorship law, engendered in the first instance by the Federal Circuit's rejection of a time honored legal precedent which even the Court of Appeals seemed to acknowledge would have compelled a different result.

I. *The Federal Circuit Applied An Erroneous Legal Standard In Concluding That Hess Was Not A Co-Inventor*

A. *The Legislative History Of 35 U.S.C. § 116 Was Based On The Very Precedent The Federal Circuit Rejected*

Since the adoption of the Patent Act in 1952, Section 116 has always governed joint inventorship (35 U.S.C. § 116). Prior to its amendment in 1984, § 116 provided, in pertinent part:

> "When an invention is made by two or more persons jointly, they shall apply for patent jointly and each sign the application and make the required oath, except as otherwise provided in this title."

The identity of the inventors in either a patent or an application therefor is of enormous importance. Under 35 U.S.C. § 111, except in special circumstances not present here, an application for patent shall either be made or authorized to be made by the inventor or inventors thereof. Indeed, that requirement of the patent statute is a constitutionally-mandated requirement; Article I, § 8 of the Constitution authorizes Congress to grant an exclusive right in discoveries to inventors and none other (*Iowa State University Research Foundation, Inc.* v. *Sperry Rand Corporation* (4th Cir., 1971), 444 F.2d 406, 408).*

The determination of inventorship is critically important for yet another reason, namely ownership of the patent. The grant of

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*Congress recognized, in 1952, the difficulty in determining inventorship and, as part of the Patent Act, promulgated § 256 to allow for correction of errors in inventorship to avoid forfeiture of valuable patent rights. 35 U.S.C. § 256 allows the correction of inventorship in an issued patent; it requires a showing of an "error" if a person is either incorrectly named in an issued patent or omitted as an inventor in an issued patent, provided that the error arose "without any deceptive intention". In that limited situation, an error in inventorship, under the express terms of § 256, does not invalidate the patent so long as the error can be corrected under § 256. 35 U.S.C. § 116 contains a like remedial provision, permitting correction of "error" in inventorship in an application for patent; it limits such correction to those errors which arose without any deceptive intention as well.

a patent is made, consistent with the Constitution, to an inventor in the absence of an assignment. And, of course, each of the inventors of a patent who have not made an assignment of his or her rights thereunder is entitled, under 35 U.S.C. § 262, to make, use, offer to sell or sell the patented invention "without the consent of and without accounting to the other owners" (*Willingham* v. *Lawton* (6th Cir., 1997), 555 F.2d 1340, 1344).

Because of the importance of properly determining joint inventorship and the difficulties attendant thereto, Congress, in 1984, amended 35 U.S.C. § 116. That amendment continued to limit application of the statute to cases where an invention was made by two or more persons "jointly" but also added the following guidelines as to joint inventorship:

> "Inventors may apply for a patent jointly even though (1) they did not physically work together or at the same time, (2) each did not make the same type or amount of contribution, or (3) each did not make a contribution to the subject matter of every claim of the patent."

The Federal Circuit recognized, in *Kimberly-Clark Corporation* v. *Proctor & Gamble Distributing Co., Inc.* (Fed. Cir., 1992), 973 F.2d 911, 916-17, that the legislative history of the 1984 amendment to 35 U.S.C. § 116 demonstrated that Congress intended to clarify the law of joint inventorship by codifying the principles stated in *Monsanto* v. *Kamp* (D.D.C., 1967), 269 F.Supp. 818, 824 where the Court laid down the governing principles:

> "To constitute a joint invention, it is necessary that each of the inventors work on the same subject matter and make some contribution to the inventive thought and to the final result. Each needs to perform but a part of the task if an invention emerges from all of the steps taken together.... One may do more of the experimental work while the other makes suggestions from time to time. The fact that each of the inventors plays a different role and that

> the contribution of one may not be as great as that of another, does not detract from the fact that the invention is joint, if each makes some original contribution, though partial, to the final solution of the problem."

And, of course, those principles laid down in *Monsanto,* later codified in § 116, came directly from the very precedent which the Federal Circuit cavalierly dismissed as "not binding" on it, namely *DeLaski & Thropp Circular Woven Tire Co.* v. *William R. Thropp & Sons Co.* (D.N.J., 1914), 218 F. 458, *aff'd.*, (3rd Cir., 1915), 226 F. 941. The Court in *DeLaski* wrote (218 F. at 464):

> "The conception of the entire device may be due to one, but if the other makes suggestions of practical value, which assisted in working out the main idea and making it operative, or contributes an independent part of the entire invention, which is united with the parts produced by the other and creates the whole, he is a joint inventor, even though his contribution be of comparatively minor importance and merely the application of an old idea."

The Federal Circuit implicitly recognized that *DeLaski* demanded a different result here. Beyond dispute was the fact that Hess, in making the three contributions all hands agree that he in fact made, assisted in "working out the main idea and making it operative". Indeed, the testimony of Simpson and Robert showed on its face that, prior to meeting Hess, neither of them could work "out the main idea and make it operative". Not only were Hess' contributions essential for making the catheter operative, those contributions pervaded the patent claims.

Clearly, under the law, Hess was a co-inventor, and the Federal Circuit's conclusion to the contrary ignored the words of the statute, its legislative history and, indeed, even its own precedent interpreting that legislative history. Not only was Hess a co-inventor, so too he was entitled to an undivided one-third interest in the invention of the '071 patent as well.

B. *Wrong Was The Court Of Appeals In Finding That* DeLaski *Is Inconsistent With Precedent Of This Court*

The Court of Appeals for the Federal Circuit was unduly concerned that *DeLaski* is inconsistent with the decision of this Court in the famous telegraph case, *O'Reilly* v. *Morse* (1853), 56 U.S. 62. Even the suggestion of an inconsistency demonstrates clear legal error in the Federal Circuit's analysis.

DeLaski has been followed for the last 80 years, and holds that a person who makes a suggestion of "practical value" which "assisted in working out the main idea and making it operative" is a joint inventor (218 F. at 464):

> "... even though his contribution be of comparatively minor importance and merely the application of an old idea."

What should control, in determining co-inventorship, is the impact that such a person's contribution has on the making of the invention, and not on whether his idea was, in any abstract way, known in the prior art.

The Federal Circuit's misconception of *O'Reilly* is highlighted by its reliance on its own precedent of *Shatterproof Glass Corporation* v. *Libby-Owens Ford Company* (Fed. Cir., 1985), 758 F.2d 613, 624 where the Court stated that:

> "An inventor 'may use the services, ideas, and aid of others in the process of perfecting his invention without losing his right to a patent.' "

The Federal Circuit's view of *O'Reilly* and *Shatterproof* confuses the vital distinction between a suggestion made by a third party after an operative invention has been conceived, as was the case in both *O'Reilly* and *Shatterproof*, and the case here where Hess' suggestions made possible the conception of an operative invention. After all, Hess admittedly suggested the use of irradiated

modified polyolefins, the plastic that Simpson and Robert ultimately used after their earlier efforts with both PVC and Teflon had failed so miserably.*

II. *The Federal Circuit Improperly Understood Its Role As A Reviewing Court*

Elementary is the principle that, as an Appellate Court, the Federal Circuit's job is to review fact findings as prescribed by Rule 52(a) of the Federal Rules of Civil Procedure, under the "clearly erroneous" standard. But its review of the conclusions of law drawn therefrom—the application of the law to the facts—is reviewed under completely different standards, namely *de novo* review (*Kimberly-Clark Corporation* v. *Proctor & Gamble Distributing Co., Inc.* (Fed. Cir., 1992), 973 F.2d 911, 915; *Roton Barrier, Inc.* v. *Stanley Works* (Fed. Cir., 1996), 79 F.3d 1112, 1127).

In this case, the District Court's fact findings were not even placed in issue, the underlying facts—what did Hess do with respect to the invention of the '071 patent—not being in dispute. What Hess did challenge in the Court of Appeals was the District Court's analysis—how the law should be applied to the facts as found by the District Court. The Federal Circuit muddled that distinction, stating (App. A 12a) that Hess' argument was only a "reformulation" that the District Court's fact findings were clearly erroneous—a plain mischaracterization of Hess' position.

And these issues are indeed important issues in the field of patents. As shown, issues of joint inventorship could arise in virtually every patent issued by the United States Patent Office. It

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*The Federal Circuit, contrary to *DeLaski*, made much of the fact that irradiated modified polyolefins and their properties were known in the prior art—a proposition that Hess certainly does not dispute. What the Federal Circuit failed to note, however, was that it was undisputed that such plastic had never before been used in a medical instrument for use inside the human body. And, of course, the Federal Circuit overlooked as well the undisputed fact, admitted by Dr. Simpson, that the use of irradiated modified polyolefins provided a basis for distinguishing the invention from the prior art.

was incumbent upon the Court of Appeals for the Federal Circuit to lay down guidelines on that issue, guidelines determined in the first instance by the words of the statute and its legislative history as well as by established precedent. In this case, however, the Court of Appeals ignored the language of the statute, ignored its legislative history and failed to follow its own precedent in interpreting the statute in light of the legislative history as established in *Kimberly-Clark Corporation* v. *Proctor & Gamble Distributing Co., Inc.* (Fed. Cir., 1992), 973 F.2d 911.

Because of the importance of this issue, this Court should step in and define, the Federal Circuit having defaulted on its obligation to do so, the principles applicable in determining joint inventorship.

CONCLUSION

Hess' petition is meritorious and should be granted.

Respectfully submitted,

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